Decline in capital formation

†1423. SHRI KALRAJ MISHRA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Pichhle Paanch Varsho Mein Punji Nirman Mein Giravat Aayee" which appeared in Hindustan dated 8th October, 2002;

(b) if so, whether this decline is due to increasing foreign competition and open import;

(c) what type of positive steps Government propose to take to raise capital formation; and

(d) whether Government would take some concrete steps to upgrade domestic industries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) to (d) The on-going economic reforms are expected to foster competition, enhance efficiency and promote capital formation and growth in the economy. The gross domestic capital formation as a proportion of Gross Domestic Product at current market prices declined marginally from 24.5 per cent in 1996-97 to 24.0 per cent in 2000-01. While import regime has been liberalised over the last five years, empirical data on imports do not suggest any surge in imports following such liberalisation. The trends in the economy are under constant review and policy measures are undertaken as and when necessary.

Waiver of interest on farmers loan

†1424. SHRI KALRAJ MISHRA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government propose to waive interest on the loans taken by the farmers due to drought;

(b) if so, whether any special criteria have been fixed in this regard;

(c) if not, the reasons therefor; and

(d) the amount involved in case Government provide the said relief

†Original notice of the question was received in Hindi.